



PROBLEMS OF PROMOTIONAL AGENCY-A STUDY OF ASSAM

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ABSTRACT

In Assam there are different types of promotional agencies for entrepreneurship development among women which included Nationalized Banks, Private Banks and other institutions. In this study, promotional agencies included Nationalized Banks, Private Banks, other banks and other agencies which not only provide financial assistance but also provide other supportive services for better performance of women entrepreneurs. The present study was conducted in the state of Assam. The total number of promotional agency was 32. Officials of promotional agencies reported that lack of knowledge on legal procedure of bank and poor participation in EDP training by women entrepreneurs to start an enterprise were ranked I and II respectively.

KEY WORDS: Problem, Promotional Agency.

INTRODUCTION

Today a net work of various financial institutions and other entrepreneurship development institutions like Regional Rural Bank, District Industries and Commerce Centre (DICC), Nationalized banks, Private banks, National Agriculture Bank for Rural Development, National Small Business Development Corporation, National Institute for Entrepreneurship, Small Industries Development Corporation, National Small Industries Corporation, Small Industries development of India, Industrial financial Corporation of India, Indian Institute of Entrepreneurship (IIE), Micro, Medium and Small Enterprise (MSME) playing a significant role in the development of micro enterprises among women in the State.

In this study, promotional agency is defined as the agency which provide financial and other support services to entrepreneurs. In Assam, there are 19 numbers of Nationalized Banks namely Punjab National Bank (PNB), Bank of Baroda (BOB), Syndicate Bank, Bank of India (BOI), Canara Bank, Union Bank of India (UBI), Corporation Bank, Bank of Maharashtra, Indian Overseas Bank, Oriental Bank of Commerce, Central Bank of India, Dena Bank, Andhra Bank, United Bank of India, Allahabad Bank, Indian Bank, UCO Bank, Vijaya Bank and Punjab and Sind Bank. All these banks were selected for this investigation.

There are nine numbers of Private Banks in the State. Out of the nine Private Banks, only six Banks namely ICICI Bank, AXIS Bank, HDFC Bank, YES Bank, Federal Bank and Karnataka Banks were selected as these banks are functioning to promote entrepreneurship among women. The remaining other Private Banks yet to start activities in connection with entrepreneurship development and their jurisdiction is limited to Kamrup Metro district only. SBI, IDBI and AGVB are government undertaking banks and grouped under other banks. On the basis of advocacy services, training facilities, support services provided to the prospective and continuing entrepreneurs the agencies such as DICC, MSME, IIE and NEDFi were grouped as other agencies under promotional agency for the present investigation.

The study would definitely give a meaningful insight to officials of promotional agencies about the current position of women to provide financial as well as other supportive services while sanctioning and granting loan to women entrepreneurs. Further the study would help officials of aforesaid institutions to change their attitude towards women entrepreneurs. The functional scope of the study is to suggest remedial measures for the successful growth and development of women entrepreneurs. The investigation was carried out with the following objectives:

1. To identify problems faced by the promotional agencies in performing their role.
2. To provide suggestive measures for better performance of the entrepreneurs.

METHODOLOGY:

The total number of promotional agency was 32 which is the sum total of Nationalized Banks (19), Private Banks (6), Other Banks (3) and Other Agencies (4). "Problem" of promotional agencies is operationalized as difficulties faced by different agencies while providing financial assistance and other supportive services to women entrepreneurs.

A list of probable problems faced by promotional agencies in performing their role while sanctioning, granting financial assistance to women entrepreneurs were collected after personal discussion with officials of different promotional

agencies such as Nationalized banks, Private banks, other banks (SBI, IDBI, AGVN) and other agencies (DICC, MSME, NEDFi, IIE). Then respondents were asked through close ended questions to mention their problems. It was measured in four point scale as always, sometimes, rarely and never and scored as 4, 3, 2 and 1 respectively.

FINDINGS AND DISCUSSION

On the basis of different services provided all these above mentioned promotional agencies were selected to find out different problems faced by concerned officials while performing their role for development of entrepreneurship among women.

The salient findings of the study are summarized below:

Objective 1. Problems faced by promotional agencies

The data on problems faced by officials of promotional agencies presented in the Table 1 highlighted that officials of Nationalized Banks faced problems lack of understanding of women entrepreneurs about legal procedure of bank and ranked I followed by inadequate capital investment by women entrepreneurs to start an enterprise with rank II.

Other problems such as lack confidence and decision making ability of women entrepreneurs to run an enterprise got equal rank i.e. III in list of problems. This was followed by poor participation in EDP training and by poor involvement of women entrepreneurs in business with IV rank equally. Lack of knowledge of women entrepreneurs in marketing of products and influence by third party got equal rank of V.

Problem got lower rank were involvement of women entrepreneurs in different business at a time, diversification of loan, irregular contact of women entrepreneurs with bank officials, submission of false identification documents by women entrepreneurs and poor utilization of man power by women entrepreneurs with mean scores of 2.73, 2.68, 2.57 and 2.52 with VI, VII, VIII and IX respectively.

Officials of Nationalized Banks faced lots of difficulties to perform their role may be partly due to the baseless fear of huge cost and partly due to lack of awareness of the existence of bank facilities and services by women entrepreneurs. Therefore, there is a need to train/ aware women entrepreneurs at all levels of the marketing chain in handling techniques of their enterprise's survive, sustain and success. These should help them to open new doors to expand their enterprises. It is therefore, necessary to involve them on an equal footing with men and this can be done only if women entrepreneurs are given the proper means to improve themselves and their entrepreneurial situation.

The data on different problems faced by officials of Private Banks revealed poor involvement of women entrepreneurs in business ranked I with highest mean score of 3.33 followed by inadequate capital investment by women entrepreneurs to start an enterprise, lack of understanding of women entrepreneurs about legal procedure of bank, lack of decision making ability of women entrepreneurs and influenced by third party equally rank II.

Lack of confidence of women entrepreneurs to run an enterprise, poor participation in EDP training by women entrepreneurs, involvement of women entrepreneurs in different business at a time and diversification of loan by women entrepreneurs equally got rank III in the list of problems.

Other problems faced by officials of private banks were lack of knowledge of women entrepreneurs in marketing of products and submission of false identification documents by women entrepreneurs got rank IV. Lowest problem faced by same officials were poor utilization of man power by women entrepreneurs and irregular contact of women entrepreneurs with bank officials with lowest scores of 2.50, 2.33 with V and VI rank, respectively.

The findings in the same Table also indicates that different problems faced by officials of other banks was poor involvement of women entrepreneur in business

and got rank I with score of 4.00. Other problem such as poor participation in EDP training by women entrepreneurs ranked II. Common problems faced by bank officials and ranked III equally were inadequate capital investment by women entrepreneurs to start an enterprise, lack of confidence of women entrepreneurs to run an enterprise, lack of understanding of women entrepreneurs about legal procedure of bank, irregular contact of women entrepreneurs with bank officials, lack of knowledge of women entrepreneurs in marketing of products and poor utilization of man power by women entrepreneurs.

Table 1.
Ranking of problems faced by of promotional agencies while approving and sanctioning financial assistance to entrepreneurs

N=32

Problems/Statement	Nationalized Banks		Private Banks		Other Banks		Other Agencies	
	Mean score	Rank	Mean score	Rank	Mean score	Rank	Mean score	Rank
Inadequate capital investment by the entrepreneurs	3.15	II	3.00	II	3.33	III	3.50	II
Lack of confidence of the women entrepreneurs.	2.89	III	2.83	III	3.33	III	3.50	II
Lack of understanding of women entrepreneurs about legal procedure of bank.	3.21	I	3.00	II	3.33	III	3.50	II
Lack of decision making ability of women entrepreneurs.	2.89	III	3.00	II	2.67	V	3.50	II
Poor participation in EDP training by women entrepreneurs	2.84	IV	2.83	III	3.67	II	3.75	I
Irregular contact of women entrepreneurs with bank officials	2.68	VII	2.33	VI	3.33	III	3.50	II
Lack of knowledge of women entrepreneurs in marketing of products	2.78	V	2.67	IV	3.33	III	3.50	II
Third party influence to women entrepreneurs	2.78	V	3.00	II	3.00	IV	2.25	VII
Poor involvement in business	2.84	IV	3.33	I	4.00	I	2.50	VI
Involvement of women entrepreneurs in different business at a time	2.73	VI	2.83	III	2.67	V	3.00	IV
Submission of False identification documents	2.57	VIII	2.67	IV	2.00	VI	2.75	V
Diversification of loan	2.73	VI	2.83	III	3.00	IV	3.25	III
Poor utilization of man power	2.52	IX	2.50	V	3.33	III	3.50	II

Women entrepreneurs are influenced by third party and diversification of loan by entrepreneur equally got IV rank. Other problems got V rank were lack of decision making ability of women entrepreneurs and involvement of women entrepreneurs in different business at a time. False identification documents submitted by women entrepreneurs got lowest equal rank of VI.

Majority of bank officials faced lots of difficulties might be due to ignorance of bank formalities and knowledge regarding bank procedure by women entrepreneurs which cause difficulties for bank officials to deal with any transaction with entrepreneurs. Therefore, it is very much essential for government and non government organization working for development of women entrepreneurs to organize different intervention programme for better performance of entrepreneurs in the enterprise sector.

The most common problem faced by officials of other agency was poor participation in EDP training by entrepreneurs with rank I, inadequate capital investment by women entrepreneurs to start an enterprise, lack of confidence of women entrepreneurs to run an enterprise, lack of understanding of women entrepreneurs legal procedure of bank, lack of decision making ability of women entrepreneurs, irregular contact of women entrepreneurs with bank officials and lack of knowledge of women entrepreneurs in marketing of products, poor utilization of man power equally ranked II with score of 3.50 in the list of problems.

Diversification of loan by women entrepreneurs got rank III. Problems got lower position with low mean scores were involvement of women entrepreneurs in different business at a time, false identification documents submitted by women entrepreneurs, poor involvement of women entrepreneurs in business and third party influence to women entrepreneurs with rank IV, V, VI and VII respectively.

All the selected other agencies provide supportive assistance/guidance for better development and performance of entrepreneurs but due to lack of proper knowledge and awareness majority of respondents were not able to take all the opportunities for their overall development. Therefore, it is very much essential to provide right efforts to draw the attention of entrepreneurs about the various facilities of supportive institutions to recognise the entrepreneurial talents in the global platform. Hence, supportive institutions should come forward to influence women entrepreneurs in a positive way for their better development.

Objective 2. Suggestive measures by promotional agencies for better performance of women entrepreneurs

Officials of promotional agencies faced different problems while sanctioning and granting financial assistance to women entrepreneurs. Among all problems there were some common problems faced by bank officials because of lack of knowledge regarding legal facilities of bank and poor participation in entrepreneurial training by entrepreneurs. It is believed that supportive measures suggested by promotional agencies for setting up enterprises would make a favourable impact on proper growth of microenterprise among women entrepreneur.

The data on suggestion of different problems put forward by officials of promotional agencies are presented in the Table. 2 The findings highlighted the valuable suggestion that entrepreneurship development training programme would be more fruitful for entrepreneurs to improve decision making ability, to improve participation in EDP training and to regular contact of bank official as suggested by all the officials of promotional agencies (100%) and got rank I by all the officials.

A large majority i.e. 93.75% of all agencies suggested that participation in different training programmes would help entrepreneurs to invest adequate capital to start the enterprise and to develop confidence among entrepreneurs. The officials also suggested that participation in different training programme would benefit respondents to avoid third party influence, poor involvement in business, involvement in different business at a time, to avoid submission of false identification documents, diversification of loan and to poor utilization of human resources. This suggestion got II rank on the basis of suggestions put forward by a large majority of respondents.

It is encouraging to note that prior contact with legal adviser would benefit the entrepreneurs to make them aware about legal formalities of bank as suggested by a large majority of respondents (90.62%) and got rank III as given by officials.

A large majority of bank officials (87.50%) expressed that participation in different training programmes related to marketing about price fixation or packaging would benefit the entrepreneurs to reach the market value. This suggestion got lowest rank IV as compared to other problem.

Table 2.
Distribution of promotional agencies according to different suggestions

N=32

Category of Problems	Suggestions	Percentage (%)	Rank
Inadequate capital investment by the entrepreneurs to start enterprise.	Participation in Entrepreneurship development training (EDP)	93.75	II
Lack of confidence of the women entrepreneurs.			
Lack of understanding of women entrepreneur about legal procedure of bank	Prior contact with legal adviser of bank	90.62	III
Lack of decision making ability of women entrepreneurs.	Entrepreneurship development training (EDP)	100.00	I
Poor participation in EDP training programme			
Irregular contact of women entrepreneurs with bank officials.			
Lack of knowledge of women entrepreneurs in marketing of products	Marketing/Price fixation/ Packaging training	87.50	IV
Third party influence to women entrepreneurs	Entrepreneurship development training programme(EDP)	93.75	II
Poor involvement in business			
Involvement of women entrepreneurs in different business at a time			
Submission of False identification documents Diversification of loan Poor utilization of man power			

All Nationalized Banks, Private Banks, other banks and other agencies equally suggested the valuable suggestion that participation in entrepreneurship development training programme (EDP) would be more effective for entrepreneurs to continue their entrepreneurial activities. Because EDP training programme organized by DICC, MSME and IIE would help entrepreneurs for overall management and development of their entrepreneurial works right from starting to marketing of various products. Entrepreneurship is one of the important factors of industrialization; in the absence of entrepreneurship, industrialization cannot take place because entrepreneurs are playing an important role in the economic development of underdeveloped country. Hence, entrepreneurs should encourage to contact officials of promotional agencies regularly to solve their varieties of problems encountered while starting and running their micro enterprises.

CONCLUSION

Promotional agency faced lots of difficulties while granting as well as sanctioning loan to women entrepreneurs because of inadequate experience of respondents about legal procedure of bank, poor participation in EDP training programme, lack of exposure about government sponsored schemes and so on. This resulted in delay in sanctioning loan to respondents which depressed them to continue their business. So the government must put forward a pressure to promotional agencies to provide financial assistance in a limited time frame for their successful growth. Concluding the scenario of growth of entrepreneurship of women in rural area is a critical concern. Therefore, there is a need for continuous attempt to inspire, encourage, motivate and co-operate with women entrepreneurs conducting of awareness programmes should be conducted on a mass scale with the intention of creating awareness among women about the various aspects to conduct different business. The findings of this study have implications for entrepreneurs as well as the policy makers who work for the improvement of entrepreneurs.

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate, efforts are being taken at the economy as well as global level to enhance woman's involvement in the enterprise sector. At present women have broken the monopoly of men and proved that they are not inferior to men. Micro enterprises has major impact on social and economic life of rural women. The study concludes that there was an increase in self-confidence, self-reliance and independence of rural women due to involvement in the entrepreneurial and other activities. Now women entrepreneurs are aware of opportunities available to them, but there is scope for further improvement in it. The economic status of the women is now accepted as an indicator of a society's stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women.

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